

# U.S. Department of Labor

Employment and Training Administration  
Sam Nunn Atlanta Federal Center  
Room 6M12 - 61 Forsyth Street, S.W.  
Atlanta, Georgia 30303



August 26, 2004

WIA AND SWA ISSUANCE NO. 04-06

SUBJECT: Areas of Substantial Unemployment

1. Purpose. To request the designation of Areas of Substantial Unemployment (ASU) in each state as defined in the Workforce Investment Act (WIA) in order to allot funds under the Act for the period beginning July 1, 2005.

2. Background. Sections 127(b)(2)(B) and 132(b)(1)(B)(v)(III) of the Workforce Investment Act define an ASU and require that ASU determinations be made once each fiscal year. These ASU designations will be used by the Department of Labor for the allotment of Title I, Chapters 4 and 5 funds to states for PY 2005.

### 3. Guidelines

a. Definition. An ASU is a contiguous area with a current population of at least 10,000 and an average unemployment rate of at least 6.5 percent for the 12-month reference period.

b. Reference Period. The 12-month reference period for the designation shall be July 2003 through June 2004.

### 4. Procedures

a. If a state has an unemployment rate of 6.5 percent or higher for the reference period, the entire state will be designated an ASU for purposes of the state allotments. In this case, no data or forms need be transmitted.

b. If the state does not qualify in total as an ASU, the state should examine all jurisdictions within the state, with a view toward designating as ASUs contiguous combinations of counties, cities, towns, townships, other minor civil divisions and/or census tracts. ASUs designated under this section should be described using the largest appropriate defining units. If Local Area Unemployment Statistics data for the area designated as an ASU are already routinely collected by the Bureau of Labor Statistics (BLS), the state should report it, but no data need be submitted.

c. For those ASUs for which data are not routinely collected by BLS, the state should prepare an ASU designation form and send it according to BLS instructions. The form should include data for the 12-month period ending June 2004. A copy of each form should be sent to the national offices of BLS and ETA.

d. The state should describe the geographic components of each ASU in sufficient detail for a knowledgeable reviewer to verify that they are contiguous and have a total population of at least 10,000 persons. States should either include maps with the submission or keep the maps available in case questions arise.

e. BLS issued specific procedures to State Workforce Agency Administrators and BLS Regional Commissioners on August 9, 2004, for preparation of the ASU data.

5. Action Required. Please ensure that all designation forms are in the ETA and BLS national offices by October 11, 2004. The copy for ETA should be sent to:

U. S. Department of Labor  
Employment and Training Administration  
Attention: Wayne Gordon, Room N-5637  
200 Constitution Avenue, N.W.  
Washington, D.C. 20210

6. Inquiries. Direct questions to Eugene Caso at (404) 562-2119.

7. Expiration Date. October 31, 2004.

*Helen N. Parker*

HELEN N. PARKER  
Regional Administrator